

EIR Feature

The book that drove Kissinger and the ADL wild

by the Editors of EIR

*We present an abridged version here of the new introduction to EIR's bestselling book, *Dope, Inc.*, which is about to be republished.*

Thirteen years ago the first edition of *Dope, Inc.* was released. Commissioned by anti-drug American statesman Lyndon H. LaRouche, Jr., it was the first book to reveal that the illegal drug cartel was becoming the world's biggest business; to name the causes of the war "Dope, Inc." has waged against every nation in the world; and to reveal the names of the "untouchable" figures who protect it, including the European monarchs, whom our Hollywood media have sold to the public as veritable deities. The book, which has since come out in several foreign-language versions and a second edition, remains unique.

Its effectiveness is attested to above all by the fact that the kingpins of the U.S. branch of the drug cartel—led by Henry A. Kissinger and the Anti-Defamation League of B'nai B'rith—launched a years-long effort to silence the authors, starting with LaRouche, who was railroaded to federal prison in late 1988 on trumped-up "conspiracy" charges, and is now fighting in the courts to overturn that travesty of justice.

Lyndon LaRouche was jailed within days of George Bush's inauguration in January 1989, and Bush has kept him there, for reasons that include a fear by Bush and his backers of the information contained in this book.

Former Secretary of State Henry A. Kissinger ran the risk of federal criminal prosecution as the result of his persistent interference into the conduct of the U.S. Department of Justice, the FBI, and the White House to stoke up the government campaign to silence LaRouche.

The dope lobby's hysteria over LaRouche's campaign to put them out of business was not restricted to the United States. In Venezuela, the Spanish-language edition, *Narcotráfico, SA*, has been banned since 1985 because the local Kissinger- and Rockefeller-linked bankers are terrified that a few bland references



Stuart Lewis

Cocaine counterculture is flaunted at a carnival in a small town in the United States in 1986, the year the second edition of "Dope, Inc." was published, and six years after American voters booted Jimmy Carter out of office for trying to decriminalize drugs.

in the second edition to the bad company they keep might lead to the exposure of much bigger crimes. Recently, some of Dope, Inc.'s Venezuela operators have been publicly linked to two major terrorist bombings (one in Washington, D.C.) and at least one cocaine bust in Miami. As a result, scores of parliamentarians throughout Ibero-America have publicly demanded the lifting of the ban on this book.

It was in 1977 that Lyndon LaRouche realized Americans must be mobilized against the illegal-drug plague being spread by the Jimmy Carter administration. The campaign drew together a broad coalition of concerned citizens in the United States and abroad. By spring 1978, the coalition's intelligence on the higher-ups behind the narcotics cartel had grown to the point, that LaRouche commissioned a U.S. Labor Party investigative team to draft a comprehensive profile of the international dope trade. LaRouche warned that, unless the United States fought the undeclared war which Dope, Inc. was waging on it, the nation would be destroyed within a generation. There could be no "national security" without a commitment to destroy Dope, Inc., he argued.

Instead, three successive U.S. administrations have made their peace with the dope cartel, and as a result, America is swimming in addictive drugs and the U.S. economy is drowning in narco-dollars.

The Carter-Mondale administration (1977-81) openly embraced the dope lobby agenda of drug legalization. White House drug adviser Dr. Peter Bourne not only pushed "decriminalization" of marijuana, but he claimed, as late as

1978, that cocaine was not a narcotic. Vice President Walter Mondale owed much of his political career to the Minnesota organized crime cronies of Meyer Lansky.

The U.S. Labor Party, an electoral arm during the 1970s of LaRouche's political movement, published the first edition of *Dope, Inc.* and led a nationwide campaign to defeat the Carter White House-backed effort to legalize marijuana on a state-by-state basis. Out of that campaign emerged the National Anti-Drug Coalition, which helped shape the political climate leading to the defeat of the Carter-Mondale team in the 1980 U.S. elections. In 1980 LaRouche challenged Carter for the Democratic Party's presidential nomination, and began building the anti-drug, American System wing of the Democratic Party.

Both President Ronald Reagan and Vice President George Bush, reflecting that popular rejection of the soft-on-drugs policies of their predecessors, mouthed anti-drug slogans. But as their lips were flapping about "war on drugs" and the threat of "narco-terrorism," behind the scenes, White House and CIA officials like National Security Council staffer Oliver North were peddling drugs to covertly finance their favorite secret missions.

Attack the money-laundering capability

And nobody in the White House or the Congress dared to take up the most essential message of *Dope, Inc.*: Shut down the drug money-laundering by the major Anglo-American banks, and the dope cartel would choke to death on its

own profits (see box, page 28)!

When George Bush succeeded Ronald Reagan in the presidency, things got even worse than they were under Jimmy Carter. Not only did Bush keep the dope cartel's most feared enemy, Lyndon LaRouche, in prison, but, as two new chapters in this third edition will detail, *Dope, Inc.* is doubling every five years and marijuana has replaced food as America's number-one cash crop. George Bush talks about shutting down the dope trade, and then secretly turns over the government of Colombia to the cocaine cartel and joins the narco-terrorist regime of Syria's Hafez al-Assad in an obscene embrace.

In the first edition of *Dope, Inc.*, Lyndon LaRouche also warned that the International Monetary Fund and World Bank were committed to imposing narco-economies on many nations of the developing sector as part of a conscious policy of genocide on a scale worse than Adolf Hitler. LaRouche identified the IMF-World Bank as synonymous with *Dope, Inc.* These words have been borne out with a vengeance.

The ADL and Kissinger react

Even before the first copies of the first edition of *Dope, Inc.: Britain's Opium War Against the United States*, rolled off the press in December 1978, leaders of the narcotics enterprise were busy trying to stop LaRouche. Beginning in summer 1978, the Anti-Defamation League (ADL), known to well-informed people as the "American Dope Lobby," launched a multimillion-dollar campaign to label LaRouche and his political associates as "anti-Semites" for daring to expose the involvement of gangsters like Meyer Lansky and Zionist lobby leaders like Edgar Bronfman and Max Fisher in the dope business. The fact that LaRouche also identified the powerful British Crown bankers as partners in the dope trade along with the Jewish crime syndicate, marked him as one of the most dangerous men alive in the eyes of *Dope, Inc.*

The ADL's "anti-Semitic" smear against LaRouche was pure Big Lie terrorism in the tradition of Nazi propagandist Joseph Goebbels. Everyone who bothered to look into the matter knew that LaRouche's political career had been built around his discoveries in physical economy, and that by 1978 he had written hundreds of articles and several books exposing the fascist economic austerity policies behind the Nazi holocaust which killed millions of Jews and other victims. The ADL's bizarre slanders prompted *EIR*'s investigators to scrutinize the history of the supposed "Jewish civil rights" organization.

The probe turned up a 70-year legacy of intimate ADL ties with Jewish gangsters, from Meyer Lansky and his "Our Crowd" sponsor Arnold Rothstein, to more contemporary *Dope, Inc.* figures such as Max Fisher, Edgar Bronfman, Edmond Safra, Meshulam Riklis, and the ADL's own national chairman, Kenneth Bialkin, the lawyer for the Medellín Cartel's "American connection," Robert Vesco. We also discovered that much of the ADL's financial backing comes

from leading families of the Anglo-American establishment, whose fortunes trace back to the British banks and trading companies that ran the opium clipper ships in and out of China in the last century.

Given the ADL's organized crime pedigree, it was also no surprise that one of the earliest and nastiest of the ADL-commissioned slanders against LaRouche was published in *High Times* magazine, the unofficial house-organ of the dope lobby. That article, by Chip Berlet, was run under the headline: "War on Drugs: The Strange Story of Lyndon LaRouche: Sinister Mastermind of the National Anti-Drug Coalition—They Want To Take Your Drugs Away!"

To this day, the ADL holds the key to the corruption of the American political and judicial system, a corruption that was bought and paid for by the proceeds of the international dope trade. Lyndon LaRouche was railroaded to prison on a train built by drug money and stoked by government officials and private agencies on the pad of *Dope, Inc.*

By the summer of 1982, the ADL was joined in its "Get LaRouche" efforts by Henry A. Kissinger, former secretary of state and recipient of the ADL's Man of the Year award. Kissinger launched a vendetta to get the federal government to shut down the LaRouche movement.

Kissinger: a British agent of influence

Although Kissinger has been historically a close ally of the most rabid factions inside Israel and within the Zionist establishment in the United States, his primary allegiance throughout his political career has been to the British Crown and its intelligence and financial tentacles.

On May 10, 1982, addressing a celebration at the London Royal Institute for International Affairs at Chatham House in London, Kissinger boasted that throughout his career in the Nixon and Ford administrations, he had always been closer to the British Foreign Office than to his American colleagues, and had taken all his major policy leads from London. Kissinger set up the international "consulting firm" Kissinger Associates, in partnership with Britain's Peter Lord Carrington, shortly after he delivered that Chatham House lecture.

Chatham House is a successor to the old British East India Company, and serves as the think-tank and foreign intelligence arm of the British Crown. The roots of Chatham House are to be found in Britain's nineteenth-century Opium War policy.

Kissinger is no stranger to the world of international dope trafficking. The 1978 edition of *Dope, Inc.* told how Kissinger played a pivotal role in covering up the involvement of the People's Republic of China in the Southeast Asia Golden Triangle heroin trade in the early 1970s when he was shuttling between Washington and Beijing playing the "China card." Tens of thousands of American GIs who became addicted to drugs in Southeast Asia during the Vietnam War should hold Kissinger at least partially responsible for their habits. Later, during the 1980s, through Kissinger Associates, Henry be-

came a business partner of some of the same Chinese opium lords he protected from American drug enforcement for over a decade.

Kissinger was furious that LaRouche and his associates widely circulated the official text of his Chatham House speech to document that Kissinger was a loyal asset of the British Crown. He went head-to-head with LaRouche over Reagan administration policy. By 1982, a major battle had broken out within the administration over the emerging Ibero-American debt crisis, a crisis of which LaRouche had been warning senior White House officials for months. A confrontation evolved between LaRouche and Kissinger over whether Washington would negotiate an equitable solution to the debt crisis, on a government-to-government basis, or back International Monetary Fund policies aimed at further looting our hemispheric neighbors.

A paper trail of personal letters from Kissinger to then-FBI Director William Webster during the summer and autumn of 1982 documents Kissinger's role.

'Get LaRouche' task force formed

On Aug. 19, 1982, Henry Kissinger wrote the now-infamous "Dear Bill" letter to Webster, demanding action against the LaRouche movement: "Because these people have been getting increasingly obnoxious, I have taken the liberty of asking my lawyer, Bill Rogers, to get in touch with you and ask your advice, especially with respect to security. It was good seeing you at the Grove [Bohemian Grove, where male invitees dress up as women and romp in the woods—ed.] . . . warm regards."

Kissinger's own efforts, aided by the ADL's so-called Civil Rights Division, were augmented in January 1983 by a Kissinger-solicited intervention on the part of several members of President Ronald Reagan's Foreign Intelligence Advisory Board, led by Edward Bennett Williams, David Abshire, and Leo Cherne. The PFIAB members demanded that the FBI launch an international investigation of Lyndon LaRouche, in effect claiming that LaRouche's exposé of Kissinger's record of selling out the United States to British, Soviet, and Dope, Inc. interests was somehow "subversive."

Government documents catalogue the role of Kissinger's PFIAB cronies. A memorandum from Webster to his chief deputy, Oliver Revell, dated Jan. 12, 1983, stated in part:

"At the PFIAB meeting today, [name redacted] raised the subject of the activities of the U.S. Labor Party and Lyndon LaRouche. He noted that he and a number of other Americans in public life had been the subject of repeated harassment by LaRouche and wondered whether the FBI had a basis for investigating these activities *under the guidelines or otherwise*. A number of members present, including Edward Bennett Williams, raised the question of the sources for these U.S. Labor Party activities. In view of the large amounts obviously being expended worldwide, the question was raised whether the U.S. Labor Party might be funded by

hostile intelligence agencies" (emphasis added).

The PFIAB inquiry led in early 1983 to the opening of a formal FBI investigation into Lyndon LaRouche and his associates. That inquiry provided the legal cover for an all-out offensive to drive LaRouche and his associates out of business and into prison. The "guidelines" under which the unconstitutional "Get LaRouche" campaign was conducted, were contained in a little-known White House document, Executive Order 12333, signed by President Reagan in December 1981. EO 12333 gave the FBI and U.S. intelligence agencies a broad mandate to spy on and conduct covert actions against American citizens deemed to be opponents of the incumbent administration. EO 12333 also allowed these agencies to use private citizens as their agents in carrying out these operations. At this point, the ADL became an integral component of the government's "Get LaRouche" task force.

The ADL and Kissinger found their most willing collaborators inside the Reagan-Bush administration among the spooks and White House staffers involved in the illegal secret Iran-Contra program. Once again, the pawprints of Dope, Inc. were everywhere.

LaRouche objects to Contra policy

In the first years of the Reagan administration, LaRouche had collaborated with several senior administration officials in the development of the Strategic Defense Initiative and other national security policies. During the 1982-83 period, LaRouche and his colleagues had been quietly approached and asked to also cooperate with the administration's effort to support the Contra guerrillas fighting to overthrow the Sandinista regime in Nicaragua. LaRouche warned the Reagan administration that the Contras were a wholly owned asset of international gun- and drug-trafficking organizations and that the entire anti-Sandinista program—and the Reagan administration's widely publicized anti-drug efforts along with it—were doomed to disaster if the administration went ahead with its Contra support program. As an alternative plan of action, LaRouche proposed that the administration focus its Central American efforts on an all-out war on drugs which would, among other things, expose Soviet, Cuban, and Sandinista involvement in the dope trade.

By this time, with pressure from Wall Street and the Zionist Lobby, Henry Kissinger had been named to head up the Reagan administration's Blue Ribbon Commission on Central American Policy. A one-time paid employee of the ADL, Carl Gershman, had been named as the chief of the administration's National Endowment for Democracy, a covert operations funding agency housed in the State Department's U.S. Information Agency. The NED was at the center of the secret support for the Contras.

For Kissinger and the ADL-led NED, dealing with cocaine traffickers was no problem. But LaRouche's public exposé of leading drug traffickers on the government payroll was a problem.

The LaRouche method: follow the money trail

In 1978, when Lyndon LaRouche first commissioned the investigation that led to the publication of *Dope, Inc.*, no U.S. government agency had developed an accurate estimate of the dollar value of the world's illegal narcotics trade. After months of reviewing current and historical documentation, and debriefing scores of anti-narcotics officials from governments all over the world, the *EIR* team concluded that the annual revenue of *Dope, Inc.* exceeded \$300 billion.

Based on this estimate, the *EIR* team drew the only possible conclusion: Many of the world's key financial institutions had to be wittingly involved in the laundering of illegal dope money. How else could such enormous volumes of cash be shuttled from one corner of the globe to another in a nearly continuous cycle of drug production, processing, marketing, and refinancing?

This view was buttressed by mountains of historical evidence showing that by no later than the nineteenth-century British Opium Wars against China, major City of London banks, trading companies, and shipping lines had been officially engaged in the opium trade. Public archives revealed that the Hongkong and Shanghai Banking

Corp., a conglomerate established by the big five London banks, had been created as the clearinghouse bank for the world opium trade.

When the same HongShang bank attempted in late-1978 to buy up Marine Midland Bank, the eighth-largest commercial bank in New York, *EIR* investigators began seriously questioning whether the British banking establishment had ever gotten out of the opium business. The conclusion: No!

In fact, *EIR* researchers soon discovered that an international web of off-shore unregulated financial centers had been established for the primary purpose of facilitating money laundering, and that many of the major banks dominating these centers were the original British and American opium financiers.

These facts may seem far from startling by today's standards. The Bank of Credit and Commerce International (BCCI) indictments are but the latest in a string of recent scandals linking such financial giants as Merrill Lynch, American Express, and the Bank of Nova Scotia to big-time dope money. But, back in 1978, the *Dope, Inc.* charges were electrifying.

And then, as now, Lyndon LaRouche has argued that the most efficient way to destroy *Dope, Inc.* is to follow the money trail and hold the banks responsible for the illegal cash that passes through their accounts. Thirteen years later, the world is still waiting for a single government to adopt the LaRouche method for crushing *Dope, Inc.*

A May 1986 memo from White House Iran-Contra operator Gen. Richard Secord to National Security Council staffer Oliver North confirms that the Contra support apparatus—what Sen. David Boren (D-Okla.) labeled the “secret, parallel government”—was gathering “information against LaRouche.”

Dope, Inc. runs ‘Get LaRouche’ force

By the spring of 1986, following dramatic electoral victories in the statewide Illinois Democratic Party primary by two LaRouche-backed candidates for lieutenant governor and secretary of state, the “Get LaRouche” forces inside the government had built up momentum, especially inside the deeply corrupted Department of Justice and the FBI.

Two of the most zealous of the Justice Department “Get LaRouche” activists were William Weld and Arnold Burns. Weld was the U.S. Attorney in Boston who led the federal government's pioneering strike force against LaRouche. He became head of the Department of Justice Criminal Division in September 1986, the number two position at the DoJ. Now governor of Massachusetts, Weld is the scion of a prominent blueblood family that made its fortune in the China opium trade.

Arnold Burns, the deputy Attorney General, was a director of the ADL's Sterling National Bank, an outfit founded by mob cronies of Meyer Lansky and implicated in hot-money dealings in the United States, Italy, and Israel. Burns himself was nearly indicted in a money-laundering scheme run by Israel's secret service, the Mossad. It would later emerge that Burns's partners in that scheme were part of the Jonathan Jay Pollard Israeli-Soviet espionage ring.

In October 1986, an army of over 400 federal and state police, accompanied by helicopters, fixed-wing planes, and an armored personnel carrier, conducted a raid against the offices of several LaRouche-associated publications in Leesburg, Virginia. This was the largest domestic paramilitary action by the federal government since the urban and student riots of the late 1960s and early 1970s. The purpose was simply to execute two search warrants and make four arrests of people who had no criminal records!

Over the next several years, LaRouche and dozens of associates were arrested and put on trial. A prosecution of LaRouche and a dozen co-defendants in a Boston federal court ended in a mistrial on May 4, 1988. The Boston jury had heard 92 days of testimony from government witnesses.

The defense never got to present its case. However, the jurors, according to press accounts, were so angry at the government's behavior that when they polled themselves after they had been dismissed by the judge, they voted LaRouche and the others "not guilty" on all 125 counts. One juror told the *Boston Herald* on May 5, 1988 that he and his colleagues were convinced the government had committed crimes against LaRouche. LaRouche told the press that he had been defrauded of a verdict of "innocent."

Six months later, the Justice Department re-indicted LaRouche in an Alexandria, Virginia federal district court on nearly identical charges. The judge and the jury were rigged. The jury foreman, a Department of Agriculture official named Buster Horton, had been a member of a secret government task force that also included Oliver North. The judge, Albert V. Bryan, had been a business partner of the CIA's biggest secret arms dealer, Sam Cummings. In that federal trial and at subsequent state trials in Virginia, leading officials of the ADL operated as de facto members of the government's prosecution team. In one telling incident, the ADL was caught attempting to bribe a Commonwealth of Virginia trial judge with a promise of a state Supreme Court post in return for throwing the book at the LaRouche defendants.

On Jan. 27, 1989, just days after George Bush was inaugurated as President, LaRouche was deprived of bail pending appeal and thrown in federal prison, along with six colleagues. LaRouche was sentenced to 15 years in prison—a life sentence for a man already in his mid-60s. Bush added his imprimatur to the jailing by refusing to release thousands of pages of exculpatory evidence under the control of the White House. Of all of his political adversaries and critics, Lyndon LaRouche was the one man whom George Bush desperately wanted out of the way.

But the jailing of LaRouche and some of his closest colleagues was not enough to satisfy the Dope, Inc. crowd. Two LaRouche-linked publications, *New Solidarity*, a twice-weekly newspaper with over 100,000 subscribers, and *Fusion*, a science magazine with over 114,000 subscribers, were seized by the government on April 21, 1987, and shut down in an action that federal courts after the fact declared to have been illegal. [Federal Bankruptcy Court Judge Martin V.B. Bostetter wrote in his Oct. 25, 1989 decision, which was upheld on appeal, that the government action had been in "bad faith" and that the government had committed a "constructive fraud upon the court"—ed.]

Pushers can't be patriots

When Lyndon LaRouche first warned senior Reagan administration officials about the drug cartel links of the Nicaraguan Contras, it was not yet publicly known that the U.S. government was selling dope to American children to fund the secret Contra war in Nicaragua (even at the same time that some well-meaning government officials thought they were genuinely fighting drugs). Within days of the Leesburg raid,

the first details of the Iran-Contra scandal surfaced following the crash of an American supply plane over Nicaraguan territory and the arrest of Eugene Hasenfus, a member of the crew. In the months following the Hasenfus capture, more and more pieces of the secret government corruption came out.

The case of Lt. Col. Oliver North is one good example of this corruption, especially because so much media attention has been directed toward building up the image of the Marine-turned-White House superspy as a model of American patriotism.

Evidence made public during the congressional Iran-Contra hearings, through federal and state court cases and international criminal prosecutions, reveals that Oliver North was in the middle of a major international arms-for-drugs trafficking operation which was run out of his National Security Council office at the Old Executive Office Building next door to the White House.

Bush formally in charge

Colonel North was the day-to-day operations officer for the Contra resupply program. But it was Vice President George Bush, the former CIA director, who was formally in charge of the entire Reagan administration Central America covert operations program. Under National Security Decision Directive 3, signed by Ronald Reagan in May 1982, Bush was placed in charge of two little-known White House secret committees: the Special Situation Group (SSG) and the Crisis Pre-Planning Group (CPPG). Oliver North was the secretary of the CPPG, and it was in this capacity that he ran the Central America spook show—under George Bush.

North's personal notebooks, which catalogued most of his meetings, telephone calls, and personal observations during his White House days, betray the fact that he was well aware that the Contras were being heavily financed by Miami-based cocaine traffickers. For example, a March 26, 1985 handwritten entry in North's notebook read: "Rafael Quintero—Secord's Agent should be on shore when arrivals occur—as liaison w/ APLICANO . . . Quintero . . ." Several days later, on April 3, a sequel note read: "0600—RAFAEL QUINTERO—(captured)—known narcotics trafficker—Enrique Camarena . . ."

Camarena was a Drug Enforcement Administration (DEA) agent in Guadalajara, Mexico who was kidnaped and tortured to death in February 1985. In 1990, Juan Ramón Matta Ballesteros, a Honduran national who helped set up Colombian cocaine routes through Mexico, was convicted along with several other men in federal court in Los Angeles of conspiracy to kidnap and murder Camarena. At the time of the Camarena affair, Matta Ballesteros was the owner of a Honduran charter airline, SETCO Air, which was paid over a half-million dollars by the U.S. State Department to airlift "humanitarian aid" to the Contras in a program run by Oliver North from the White House. Other funds, drawn directly from secret North-Secord bank accounts in Switzerland,

were also funneled into SETCO Air.

Worse, according to a report published in the *Washington Post* on July 5, 1990, a ranch near Vera Cruz, Mexico owned by Rafael Caro Quintero, the mastermind of the Camarena torture-murder and the head of the Mexican drug mafia, was used by the CIA to train Central American guerrillas as yet another feature of the North-White House effort. According to DEA informant Laurence Victor Harrison, the CIA used Mexico's Federal Security Directorate (DFS) "as a cover in the event any questions were raised as to who was running the training operation. Representatives of the DFS, which was the front for the training camp, were in fact acting in consort with major drug overlords to ensure a flow of narcotics through Mexico into the United States."

Another North notebook entry on Aug. 9, 1985 removes any shadow of a doubt that Oliver North was fully aware of the Contra-cocaine connection: "Honduran DC-6 which is being used for runs out of New Orleans is probably being used for drug runs into U.S." The Honduran plane referenced by North was owned by Matta Ballesteros.

North and company were aware of the cocaine connection even earlier, according to other government records. On Sept. 26, 1984, the Miami Police Department provided FBI Special Agent George Kiszynski with an investigative report identifying a network of Miami cocaine traffickers which was pouring money into the Contra's coffers. Within days of the report being turned over to Kiszynski, according to congressional testimony, it had been passed on to Oliver Revell, a key player in the "Get LaRouche" effort and North's FBI liaison for the White House Central America program.

That Miami Police Department document stated in unambiguous terms: "Frank Castro is a close associate of an individual by the name of Francisco Chanes. . . . Chanes is a narcotics trafficker. . . . Chanes was giving financial support to anti-Castro groups and the Nicaraguan Contra guerrillas; the monies comes from narcotic transactions. . . . Frank Castro contacted Mr. Coutin to give the Legion Cubana financial support to fight the Nicaraguan Sandinista Marxist government. . . . the financial support was from drug monies."

White House ties to terrorists

North's collusion with dope peddlers was not limited to Central America. In the spring of 1986, according to the congressional Iran-Contra investigation, North, then-National Security Adviser Robert McFarlane, and other administration officials opened a so-called "second channel" to secretly negotiate the arms-for-hostages swap with the Lebanese-based terrorists holding American hostages. That second channel was a Syrian national named Mansur Al-Kassar. A well-known international heroin, hashish, and cocaine smuggler, Al-Kassar was also implicated in a string of terrorist attacks and kidnappings in the Middle East, including the infamous *Achille Lauro* cruise ship hijacking, in which an American citizen, Leon Klinghoffer, was killed. Al-Kassar

provided arms to the Palestine Liberation Front, the group responsible for the *Achille Lauro* attack, and for years ran a mercenary kidnaping ring inside Lebanon with Abul Abbas, head of the PLF. Al-Kassar also sold Soviet-made weapons to the Black September group of Abu Nidal and to the Syrian-sponsored Popular Front for the Liberation of Palestine-General Command of Ahmed Jibril.

Al-Kassar was a black market partner of Syria's Vice President Rifaat al-Assad, the brother of President Hafez al-Assad. In 1986, Spanish authorities obtained photographs of Al-Kassar and Rifaat al-Assad meeting in the city of Marbella with Medellín Cartel boss Pablo Escobar Gaviria. The purpose of the meeting was to establish expanded cocaine-trafficking operations in continental Europe. Al-Kassar, throughout this period, was identified in CIA files as an agent of the Soviet KGB who had been a leading smuggler of Soviet bloc arms into the West.

None of this dissuaded North and company from bringing Al-Kassar into the White House "Enterprise." He never succeeded in winning the freedom of any of the hostages, but he did become one of the suppliers of Soviet bloc weapons to the Contras. In 1986, one transaction alone netted Al-Kassar \$1.5 million in payments from the North-Second Lake Resources Swiss bank accounts.

In return for these favors, Al-Kassar's drug-running and terrorist activities were protected by the National Security Council. This protection continued long after the Iran-Contra scandal had blown up in the faces of North, Secord, CIA director William Casey, et al. And, according to one report, Al-Kassar's cozy ties to the White House may have led to the deaths of 270 people.

The Pan Am 103 bombing

On Dec. 21, 1988, just weeks before George Bush's inauguration as President, a bomb exploded aboard Pan American World Airways Flight 103 above Lockerbie, Scotland. Some 259 passengers and crew aboard the plane, and 11 people on the ground, were killed.

It is still not known exactly how the bomb was placed on board the airplane. The full story may never come out. Attorneys and investigators for the airline, as well as U.S. Rep. James Traficant (D-Ohio), have suggested that Mansur Al-Kassar may have been involved. Allegedly, heroin smugglers in his employ at Frankfurt International Airport in Germany placed the bomb on board Flight 103, and Al-Kassar's men were protected by CIA personnel in Frankfurt as part of the hostage release deal and other features of the new "Syrian-American rapprochement."

According to syndicated columnist Jack Anderson, in April 1989, President Bush conferred with British Prime Minister Margaret Thatcher, and the two ordered British and American intelligence to cover up Al-Kassar's alleged involvement in the Lockerbie bombing. Whether Anderson's charges are true or not, the truth about the Lockerbie massa-

cre has been completely covered up, as has the role of Syria in the flourishing multibillion-dollar Middle East heroin and hashish trade.

One reason for the coverup is that the use of Middle Eastern dope-smuggling networks was as pervasive a feature of the Reagan-Bush era Iran-Contra misdeeds as was the hiring of Colombian cocaine cartel pilots and money launderers to supply the Contras. In fact, the Colombian and Middle Eastern dope connections have one recurring common denominator: a very prominent Israeli component.

During the very month—April 1989—that President Bush and Prime Minister Thatcher were allegedly ordering a coverup of the Pan Am 103 bombing, a DEA and U.S. Customs Service report was covered in the media alleging that New York's Republic National Bank was serving as a money-laundering facility for Middle East and Ibero-American narcotics-trafficking organizations. Republic National Bank is owned by Edmond Safra, a prominent Jewish banker of Lebanese descent whose worldwide banking operations extend from Aleppo, Syria, to Rio de Janeiro, Brazil, to midtown Manhattan.

According to a 13-page memo written by DEA agents in Berne, Switzerland and dated Jan. 3, 1989, Safra and Republic National Bank were implicated in a Swiss-centered drug money-laundering network run out of the Zurich-based Shakarchi Trading Co. U.S. investigators linked Shakarchi to a heroin-smuggling ring that enjoyed the cooperation of the Bulgarian secret police and the state-owned export-import agency, Globus (formerly called Kintex). An earlier DEA report had implicated Kintex's director in the attempted assassination of Pope John Paul II by Ali Mehmet Agca in May 1981. Kintex was identified as the hub of the "Bulgarian connection" international drug-smuggling network. We provide an inside look at this Soviet-Bulgarian dope ring in a chapter that follows. For now, it is sufficient to note the following:

According to the January 1989 DEA memo, "The Shakarchi Trading Company of Zurich, Switzerland, operates as a currency exchange company and is utilized by some of the world's largest drug-trafficking organizations to launder the proceeds of their drug-trafficking activities. . . . Shakarchi Trading Company maintains accounts at the Republic National Bank of New York, a bank which has surfaced in several previous money-laundering investigations. . . . While he was alive, Mahmoud Shakarchi maintained a close relationship with Edmond Safra and the banking institutions in which Safra had an interest, including Republic National Bank. Since the death of Mahmoud Shakarchi, Mohammed Shakarchi, doing business as Shakarchi Trading Company, has maintained close ties with the Republic National Bank."

Drug money funding ADL

DEA and U.S. Customs investigators tracing the flow of heroin revenues from Lebanon through Turkey and Bulgaria

on to the Shakarchi firm in Zurich found that millions of dollars made their way into Account No. 606347712 at the main New York City branch of Republic National Bank. Meanwhile, DEA agents in Colombia and on the U.S. West Coast busted up the largest Medellín Cartel cocaine money-laundering scheme ever unearthed as part of the DEA's Operation Polar Cap. Known as "La Mina" (The Mine), the money-laundering circuit involved a string of banks in Colombia and Uruguay and a Los Angeles jewelry wholesale company called Ropex. Millions of dollars in Ropex deposits were traced by the Polar Cap team to Account No. 606347712 at Republic National Bank—the same Shakarchi Trading Co. account!

Not surprisingly, in 1989, as the Shakarchi-Safra story was grabbing headlines in Europe and the United States, banker Safra was donating a reported \$1 million to his favorite charity—the Anti-Defamation League!

Banker Safra's ties to the Dope, Inc. money laundering go back to at least the mid-1970s when Republic National Bank shepherded Argentine wheeler-dealer David Graiver into the inner sanctums of Wall Street. Graiver bought up American Bank and Trust in 1975, and, in less than a year, looted the New York bank of an estimated \$40 million. Graiver conveniently "died" in a plane crash in Mexico just as bank regulators discovered that American Bank and Trust's cupboard was bare during an audit of the bank. There was such skepticism over Graiver's disappearance that, for years, New York State prosecutors continued to list Graiver as a defendant in the bank fraud case.

Of course, Graiver was simply a front man for a Swiss-based Mossad money-laundering network known as the Centrade Group, one of whose leading figures, Tibor Rosenbaum, is profiled at length in this book. The point is that for the past 20 years, a large and growing component of Dope, Inc. has been the combined machinery of gangster Meyer Lansky and the Israeli Mossad.

White House-Israeli-British links to drugs and terrorism

If there were any doubt about the pivotal role played by shady elements within the Israeli intelligence services, in partnership with British and American counterparts, in the world dope-for-guns bazaar, it was shattered in a hail of bullets in a desolate corner of Colombia on Dec. 15, 1989.

On that date, Colombian Army units invaded the compound of Medellín Cartel capo José Gonzalo Rodríguez Gacha near the town of Pacho. In a separate shootout at Rodríguez Gacha's bunker hideout, Rodríguez Gacha and several of his bodyguards were killed. On Jan. 24 and 28, in followup raids on two other ranches owned by Rodríguez Gacha, the Army seized large stockpiles of weapons—the majority of which were made in Israel. The Galil rifle used to assassinate Colombian presidential candidate Luis Carlos Galán in August 1989 was part of the shipment.

The discovery of the Israeli weapons caches prompted the Colombian government to make a formal inquiry to Tel Aviv: To whom had those particular weapons been sold? The answer came back from the Israeli Defense Ministry: The guns had been sold to the government of the tiny Caribbean island nation of Antigua, in a deal brokered by an Israeli national named Maurice Sarfati. According to the original Israeli version, Sarfati, a resident of Antigua, had supposedly brokered the deal for the Antiguan “national security adviser”—a nonexistent post.

Many months and cover stories later, at least a semblance of the truth came out. Israeli intelligence—through a string of front companies—had been providing weapons and terrorist training to the Medellín Cartel’s assassination squads in collaboration with British mercenaries. And the entire program had been run by senior officials at the Reagan-Bush White House and administered by the CIA and Project Democracy.

In fact, the funds to purchase the weapons found at Rodríguez Gacha’s farm had been provided by the U.S. State Department through a program personally run by Assistant Secretary of State Elliott Abrams, who recently pleaded guilty to Iran-Contra crimes. The weapons were bought through a fictitious “Panamanian government in exile” nominally headed by former Panamanian President Eric Delvalle, ostensibly to arm an anti-Noriega commando operation.

That program, which was part of the Reagan-Bush anti-Noriega effort, also involved high-power Republican Party operators, including John Zagame and Richard Bond. Zagame, a former aide to Sen. Alfonse D’Amato (R-N.Y.), set up a consulting firm and hired himself out as an adviser to the Delvalle group to the tune of \$15,000 per month. The funds came from the same accounts that bought the Israeli Uzis, Galils and other weapons discovered at the Rodríguez Gacha ranches. Zagame, the last time we looked, was running a public relations firm called PanAmerican, which had only one major client: Ollie North.

At the same time that Zagame was hired on to the anti-Noriega program, the same funds were also going to another “consulting” firm, Bond Donatelli, which shared offices with Zagame in Alexandria, Virginia. Richard Bond was Vice President Bush’s deputy chief of staff and a former deputy chairman of the Republican National Committee. He was asked in 1991 to become RNC chairman by George Bush, but turned down the offer. Frank Donatelli was at one point political director of the Reagan White House.

Among the casualties racked up to the marriage of the cocaine cartel to the CIA-Israeli intelligence were thousands of innocent Colombian nationals who were victims of cartel gunmen and bombers. During one particular bloody week in June 1990, according to Colombian government reports, over 640 people died violent deaths, the vast majority at the hands of the cartel. In one November 1989 airline bombing that has been linked to Israeli-trained cartel terrorists, 117 people perished. As we already reported, one of the guns

provided by the Israeli arms merchants was used in August 1989 to assassinate Colombia’s frontrunning presidential candidate, Luis Carlos Galán. Had he survived the armed assault against him at a campaign rally, Galán would have surely been elected President of Colombia, and he was committed to an anti-drug policy dramatically in contrast to the total capitulation that has occurred as the result of his murder.

The Panamanian ‘Contras’

The trainer of Rodríguez Gacha’s killer squads was a reserve Israeli Army colonel named Yair Klein. His company, Spearhead, Ltd. (Hod Hahanit in Hebrew), set up shop in Colombia sometime in the late 1980s. Besides the Israelis, in a parallel operation, a group of British mercenaries also engaged in training the Cartel hit squads, and even participated in para-military operations inside Colombia. Among the British soldiers of fortune were David Tomkins and Peter MacAleese, a veteran of the Rhodesian Army. Most of the British mercenaries were former Special Air Services (SAS) officers.

The involvement of British Intelligence in the CIA-Mossad Colombia deal was further confirmed when Louis Blom-Cooper and Geoffrey Robertson, both officials of Amnesty International, which is funded by British Intelligence, were deployed to cover up the official U.S., British and Israeli government sponsorship of the Klein operation and to pin the blame solely on officials of the tiny island of Antigua, a former British Crown Colony.

Shortly after the Medellín Cartel assassins school got going, Klein was brought into a sensitive covert action program being run by the Reagan-Bush administration: the plot to overthrow Panama’s Gen. Manuel Antonio Noriega. In 1988, Klein was brought to Miami for a series of secret meetings with Col. Eduardo Herrera, the former Panamanian ambassador to Israel. Herrera got the boot from the Tel Aviv assignment after General Noriega discovered that he was working with both the Mossad and the CIA. Colonel Herrera was then relocated to the U.S. by Elliott Abrams and was put formally on the CIA’s payroll. Colonel Klein was assigned to work with Herrera on a plan to create a Panamanian “Contra” force that would be sponsored by the United States to oust the Panamanian general, who had become a thorn in the side of George Bush.

On behalf of this secret project, Klein visited Antigua in early 1989 to solicit permission from the local authorities to establish a “VIP security guard” training academy. Sarfati, a longstanding Mossad operator who had purchased a melon farm in Antigua with U.S. government funds arranged through Bruce Rappaport, a Swiss-Israeli Iran-Contra figure who was a golfing partner of the late William Casey, set up the local contacts.

According to Col. Clyde Walker, at the time the chief of Antigua’s tiny national defense force, after he had met with Colonel Klein and Sarfati in January 1989, he made formal

inquiries with CIA officials in charge of the eastern Caribbean. In a sworn affidavit, Walker stated, "I prepared an intelligence report on Colonel Klein and all the other names in the [Spearhead] pamphlets . . . and I gave the report to United States CIA agent Robert Hogan in his hotel room at St. James Club and I requested of him some investigation into Spearhead, Ltd. and the colonel and his trainers. I also discussed Spearhead, Ltd. and Colonel Klein with chief of the CIA Eastern Caribbean Mr. George Kenning, Barbados Embassy, in my office, and also in the VIP Lounge at Grantley-Adams Airport." Some months later, says Walker in his affidavit, CIA Chief of Eastern Caribbean George Kenning "told me Spearhead, Ltd. appears to be all right."

In spite of that CIA green light, the powers that be on Antigua decided in March 1989 not to approve Klein's request for the training school.

At that moment, a shipload of Israeli arms were steaming across the Atlantic on board the Danish-flagged ship *Else TH*. On April 24, 1989, the arms were transferred at the Antigua port onto a Panamanian-registered ship, *Sea Point*, and shuttled off to Rodríguez Gacha in Colombia.

The money to purchase the 1989 weapons shipment had come from a State Department-administered account under the control of Assistant Secretary for Inter-American Affairs Elliott Abrams. The escrow deposit to insure that the hundreds of guns left Israel on time had come through the Miami branch of the Israeli Bank Hapoalim.

Installing Dope, Inc. governments

If there were any doubt that the arming of the Medellín Cartel hit squads was part and parcel of the same program that included the Dec. 20, 1989 U.S. invasion of Panama and overthrow of General Noriega, consider the following:

After the smoke cleared in Panama—thousands of dead bodies and billions of dollars in bombed-out property later—the Bush administration succeeded in installing into the presidency a local Panamanian lawyer, Guillermo "Porky" Endara. A review of court records shows that President Endara and several of his law partners were the owners of record of the ship *Sea Point* in April 1989 when the ship had delivered the Israeli weapons to Rodríguez Gacha! They still owned the ship in late 1989 when it was stopped off the coast of Mexico and busted for carrying a massive shipment of cocaine. For good measure, over half of the crew members busted by the Mexican authorities were also on board when the gun delivery was made to the Medellín Cartel. Back on dry land in Panama City, Endara was the co-owner, along with Rodríguez Gacha, of the drug-money-laundering Banco Interoceánico.

When the lid blew on the Mossad-Medellín connection in early 1990, the Israeli government scrambled to deny that Klein was on "official business" when he trained and armed the narco-terrorists. Unfortunately for this story's credibility, Klein had been not only linked to Sarfati in his Caribbean

War over 'Dope, Inc.' in Venezuela getting hotter

In the latest phase of the war over the book *Dope, Inc.* in Venezuela, Alejandro Peña Esclusa, secretary general of the Venezuelan Labor Party (PLV), was subpoenaed for questioning Nov. 25 by the Sixth Circuit Criminal Court of Caracas. Forbidden to have a lawyer at the closed-door interrogation, Peña was listed as a "witness" in a criminal libel complaint brought by José Rafael Revenga, head of the Gustavo Cisneros-owned Venevisión television network, against various publications and entities.

In fact, the complaint and subsequent court proceedings are intended as a judicial threat against the PLV leader by the multimillionaire Cisneros and the U.S. Anti-Defamation League. Peña had asserted in a number of recent paid newspaper ads: "In 1985, the Constitution of Venezuela was flagrantly violated when, at the request of Mr. Gustavo Cisneros and of Mr. José Rafael Revenga, the book *Narcotráfico, SA* was prohibited from circulating in Venezuela." Those ads have also targeted the ADL for its ties to drug interests.

While Peña discharged his obligations as a Venezuelan citizen by answering the court's questions, there remains the threat that his testimony at the Nov. 25 fishing expedition can be used against him, a practice permissible under Venezuelan law.

adventures but, back in Miami, Klein's Spearhead, Ltd. had been managed by two rather important Israeli operatives, Gen. Pinchas Sachar and Pesach Ben-Or. Both men were officially designated representatives of the Israeli government's Israeli Military Industry, and it was Sachar's account at the Bank Hapoalim that had received the funds from Elliott Abrams to purchase the guns routed to Colombia.

Pesach Ben-Or had been installed back during the Carter administration as the Mossad's principal arms merchant in Guatemala City, a hub of later Contra supply action. According to eyewitness accounts, Carter's National Security Adviser Zbigniew Brzezinski quietly informed the Guatemalan junta in 1978—after Carter shut down all American military aid to the country over alleged human rights violations—that Ben-Or would fill all their arms and military training requirements with the secret blessing of Washington. Ben-Or did just that—at a 600% markup. A decade later, Ben-Or was still wheeling and dealing with Guatemala—out of offices he shared in Miami with General Sachar and Colonel Klein.